1 2 3 4 5 6 7 8	Clifford Chanler, State Bar No. 135534 Laralei Paras, State Bar No. 203319 THE CHANLER GROUP 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710 Telephone: (510) 848-8880 Facsimile: (510) 848-8118 Clifford@chanler.com Laralei@chanler.com Attorneys for Plaintiff PETER ENGLANDER	
9	SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF MARIN UNLIMITED CIVIL JURISDICTION	
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13	PETER ENGLANDER,	Case No. CIV1704447
14	Plaintiff,	[PROPOSED] CONSENT JUDGMENT
15	ν.	(Health & Safety Code § 25249.6 et seq. and Code of Civil Procedure § 664.6)
16	WILMAR CORPORATION; and DOES 1-150, inclusive,	code of civil Procedure 9 004.0)
17	Defendants.	•
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[PROPOSED] CONSENT JUDGMENT AS TO WILMAR CORPORATION

1. <u>INTRODUCTION</u>

1.1 Parties

This Consent Judgment is entered into by and between plaintiff Peter Englander ("Englander") and defendant Wilmar Corporation ("Wilmar"), with Englander and Wilmar each referred to individually as a "Party" and collectively as the "Parties."

1.2 Plaintiff

Englander is a resident of the State of California who seeks to promote awareness of exposures to toxic chemicals, and to improve human health by reducing or eliminating harmful substances contained in consumer and commercial products.

1.3 Defendant

Wilmar employs ten or more persons and is a person in the course of doing business for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code section 25249.5 et seq. ("Proposition 65").

1.4 General Allegations

Englander alleges that Wilmar manufactures, imports, sells and/or distributes for sale in California, products containing di(2-ethylhexyl)phthalate ("DEHP"), and that it does so without providing the health hazard warning that Englander alleges is required by Proposition 65.

1.5 Product Description

The products covered by this Consent Judgment are gloves with vinyl/PVC components containing DEHP including, but not limited to, *Performance Tool Tech Gloves, W88999, UPC #0 39564 88999 8*, that are manufactured, imported, distributed, sold and/or offered for sale in California by Wilmar ("Products").

1.6 Notice of Violation

On August 1, 2017, Englander served Wilmar and the requisite public enforcement agencies with a 60-Day Notice of Violation (the "Notice"), alleging that Wilmar violated Proposition 65 when it failed to warn its customers and consumers in California that the Products expose users to DEHP. To the best of the Parties' knowledge, no public enforcer has commenced and is diligently prosecuting an action to enforce the allegations set forth in the Notice.

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1.7 Complaint

On December 1, 2017, Englander commenced the instant action, naming Wilmar a defendant in a complaint for the alleged violations of Proposition 65 that are the subject of the Notice ("Complaint").

1.8 No Admission

Wilmar denies the material, factual, and legal allegations contained in the Notice and Complaint, and maintains that all of the products that it has sold or distributed for sale in California, including the Products, have been, and are, in compliance with all laws. Wilmar maintains that it currently provides, and has been providing Proposition 65-compliant warnings on its Products that require them since March 2015. Nothing in this Consent Judgment shall be construed as an admission by Wilmar of any fact, finding, conclusion of law, issue of law, or violation of law, nor shall compliance with this Consent Judgment constitute or be construed as an admission by Wilmar of any fact, finding, conclusion of law, issue of law, or violation of law. This Section shall not, however, diminish or otherwise affect Wilmar's obligations, responsibilities, and duties under this Consent Judgment.

1.9 Jurisdiction

For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over Wilmar as to the allegations contained in the Complaint, that venue is proper in the County of Marin, and that the Court has jurisdiction to enter and enforce the provisions of this Consent Judgment pursuant to Proposition 65 and Code of Civil Procedure section 664.6.

1.10 **Effective Date**

For purposes of this Consent Judgment, the term "Effective Date" shall mean the date the motion for approval of this Consent Judgment has been granted and entered by the Court.

2. **INJUNCTIVE SETTLEMENT TERMS**

2.1 Reformulation Standards

"Reformulated Products" are defined as those Products containing DEHP in concentrations less than 0.1 percent (1,000 parts per million) when analyzed pursuant to U.S. Environmental Protection Agency testing methodologies 3580A and 8270C or other methodology utilized by

federal or state government agencies for the purpose of determining DEHP content in a solid substance.

2.2 Reformulation Commitment

As of the Effective Date, Wilmar shall not directly manufacture, import, distribute, sell or offer the Products for sale in the State of California unless they are Reformulated Products pursuant to Section 2.1 above or carry clear and reasonable health hazard warnings per section 2.3, below.

2.3 Product Warnings

Commencing on or before the Effective Date, Wilmar shall provide clear and reasonable warnings as set forth in subsections 2.3(a), (b) or (c) for all Products that do not qualify as Reformulated Products and are provided for sale to customers in California. There shall be no obligation for Wilmar to provide a warning for Products that enter the stream of commerce prior to the Effective Date.

Wilmar shall affix a warning to the packaging, labeling, or directly on each non-Reformulated Product provided for sale in retail outlets in California. The warning shall consist of either the Warning, Alternative Long-Form Warning or Alternative Short-Form Warning described in subsection 2.3(a), (b) or (c), respectively. Each warning shall be prominently placed with such conspicuousness as compared with other words, statements, designs, or devices as to render it likely to be read and understood by an ordinary individual under customary conditions before purchase or use. Each warning shall be provided in a manner such that it is clearly associated with the specific Product to which the warning applies, so as to minimize the risk of consumer confusion.

- (a) Warning. The Warning shall consist of the following statement:
- A WARNING: This product can expose you to di(2-ethylhexyl) phthalate [or other chemical], which is known to the State of California to cause cancer and birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov.
- (b) Alternative Long-Form Warning. For Products either in Wilmar's inventory or that enter the stream of commerce prior to the Effective Date, Wilmar may, but is not required to, use the alternative long-form warning as set forth in this subsection 2.3(b) ("Alternative Long-Form Warning"), as follows:

▲WARNING: This product and its packaging contain a chemical known to the state of California to cause cancer, birth defects or other reproductive harm.

- (c) Alternative Short-Form Warning. Wilmar may, but is not required to, use the alternative short-form warning as set forth in this subsection 2.3(c) ("Alternative Short-Form Warning"), as follows:
 - ⚠ WARNING: Cancer and Reproductive Harm www.P65Warnings.ca.gov.
- 2.4 A warning provided pursuant to section 2.3(a) or (c) must print the word "WARNING:" in all capital letters and in bold font, followed by a colon. The warning symbol to the left of the word "WARNING:" must be a black exclamation point in a yellow equilateral triangle with a bold black outline, except that if the packaging does not use the color yellow, then the symbol may be in black and white.
- 2.5 Compliance with Warning Regulations. Wilmar shall be deemed to be in compliance with this Consent Judgment by adhering to sections 2.2 through 2.5 of this Consent Judgment, or by employing the Proposition 65 safe harbor warning methods and content adopted by the California Office of Environmental Health Hazard Assessment ("OEHHA"), as may be amended, and as are applicable to the Products. If, after the Effective Date, Wilmar sells Products that are not Reformulated Products via mail order catalog and/or the internet to customers located in California, Wilmar shall provide warnings for such Products by identifying the specific Product to which the warning applies as further specified in Sections 2.5(a) and (b).
- (a) Mail Order Catalog Warning. Any warning provided in a mail order catalog shall be in the same type size or larger than other consumer information provided for the Product within the catalog. Except as stated below, a warning as shown in Section 2.3(a), (b) or (c) shall be provided on the same page and in the same location as the display and/or description of the Product. Where it is impracticable to provide the warning on the same page and in the same location as the display and/or description of the Product, Wilmar may utilize a designated symbol to cross reference the applicable warning and shall define the meaning of the designated symbol with the following language on the inside of the front cover of the catalog or on the same page as any order form for the Product(s):

 ⚠ WARNING: Certain products identified with this symbol ▼ and offered for sale in this catalog can expose you to di(2-ethylhexyl) phthalate [or other chemical], which is known to the State of California to cause cancer and birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov.

The designated symbol must appear on the same page and in close proximity to the display and/or description of the Product. On each page where the designated symbol appears, Wilmar must provide a header or footer directing the consumer to the warning language and definition of the designated symbol. The warning provided in the catalog may use the short-form content described in Section 2.3(c) if a warning is provided on the Product label using the short-form warning content.

(b) Internet Website Warning. A warning shall be given in conjunction with the sale of the Products via the internet, which warning shall appear either: (i) on the same web page on which a Product is displayed; (ii) on the same web page as the order form for a Product; (iii) on the same page as the price for any Product; or (iv) on one or more web pages displayed to a purchaser during the checkout process. A warning as shown in Section 2.3(a), (b) or (c) shall be used and shall appear in any of the above instances adjacent to or immediately following the display, description, or price of the Product for which it is given in the same type size or larger than other consumer information provided for the Product. The warning provided on the website may use the short-form content described in Section 2.3(c) if a warning is provided on the Product label using the short-form warning content.

Where it is impracticable to provide the warning at one of the locations described in subsections 2.5(b)(i) through (iv) above, Wilmar may instead utilize a clearly marked hyperlink to the warning using the word "WARNING" on the Product display page, or by otherwise prominently displaying the warning to the purchaser prior to completing the purchase.

3. MONETARY SETTLEMENT TERMS

3.1 Payments Pursuant to Health and Safety Code § 25249.7(b)(2)

Pursuant to Health and Safety Code section 25249.7(b)(2), and in settlement of all the claims referred to in the Notice, the Complaint and this Consent Judgment, Wilmar shall pay a total of \$2,400 in civil penalties in accordance with this Section. The penalty payment will be allocated

this agreement.

3.2 Reimbursement of Attorneys' Fees and Costs

The Parties acknowledge that Englander and his counsel offered to resolve this dispute without reaching terms on the amount of fees and costs to be reimbursed to them, thereby leaving the issue to be resolved after the material terms of the agreement had been settled. Shortly after the other settlement terms had been finalized, the Parties negotiated a resolution of the compensation due to Englander and his counsel under general contract principles and the private attorney general doctrine codified at California Code of Civil Procedure § 1021.5. For all work performed through the mutual execution of this agreement and the Court's approval of the same, Wilmar shall reimburse Englander and his counsel \$32,600.00. Wilmar shall, within five (5) calendar days of the Effective Date, issue a check to "The Chanler Group" in the amount of \$32,600.00, and shall deliver it to the address listed in Section 3.3 below. The reimbursement shall cover all fees and costs incurred by Englander and his counsel investigating, bringing this matter to Wilmar's attention, litigating, negotiating a settlement and resolving this matter in the public interest.

in accordance with California Health & Safety Code § 25249.12(c)(1) & (d), with 75% of the funds

follows: (1) to "Peter Englander, Client Trust Account" totaling \$600.00; and (2) to the "Office of

Environmental Health Hazard Assessment" totaling \$1,800.00. Upon receipt, Englander's counsel

will then ensure payment to OEHHA. All penalty payments shall be delivered to the address listed

Effective Date for each of the payees and Wilmar shall subsequently issue three separate IRS 1099

forms to OEHHA, Englander, and The Chanler Group for the respective amount paid to each under

in Section 3.3 below. Englander agrees to provide completed IRS W-9 forms to Wilmar by the

to OEHHA and the remaining 25% of the penalty to Englander. Wilmar shall, within five (5)

calendar days of the Effective Date, deliver two (2) checks to The Chanler Group payable as

3.3 Payment Address

All payments required by this Consent Judgment shall be delivered to the following address:

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The Chanler Group Attn: Proposition 65 Controller 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710

4. <u>CLAIMS COVERED AND RELEASED</u>

4.1 Englander's Release of Proposition 65 Claims

Englander, acting on his own behalf and in the public interest, releases Wilmar and its parents, subsidiaries, affiliated entities under common ownership, shareholders, directors, members, officers, employees, representatives, agents and attorneys, and their predecessors, successors and assignees ("Releasees") and each entity to whom Releasees directly or indirectly distribute or sell the Products including, but not limited to, its downstream distributors, wholesalers, customers, retailers, franchisers, cooperative members, licensors, licensees and any downstream party that distributes or sells the Products ("Downstream Releasees") from any claims or allegations of violation arising under Proposition 65 for unwarned exposures to DEHP from the Products manufactured, imported, distributed or sold by Wilmar prior to the Effective Date, as set forth in the Notice or Complaint. Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 with regard to the Products.

4.2 Englander's Individual Release of Claims

Englander, in his individual capacity only and *not* in his representative capacity, also provides a release to Wilmar, Releasees, and Downstream Releasees which shall be effective as a full and final accord and satisfaction, as a bar to all actions, causes of action, obligations, costs, expenses, attorneys' fees, damages, losses, claims, liabilities and demands of Englander of any nature, character or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures to DEHP in Products manufactured, imported, distributed or sold by Wilmar before the Effective Date.

4.3 Wilmar's Release of Englander

Wilmar, on its own behalf and on behalf of its past and current agents, representatives, attorneys, successors and/or assignees, hereby waives any and all claims against Englander and his attorneys and other representatives, for any and all actions taken or statements made (or those that

could have been taken or made) by Englander and his attorneys and other representatives in the course of investigating claims, seeking to enforce Proposition 65 against it in this matter, or with respect to the Products.

4.4 Mutual Waiver of California Civil Code Section 1542

The Parties each acknowledge that they are familiar with Section 1542 of the Civil Code, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

The Parties, each on their own behalf, and on behalf of their past and current agents, representatives, attorneys, successors, and/or assignees, (but not in Englander's representative capacity) expressly waive and relinquish any and all rights and benefits which they may have under, or which may be conferred upon them by the provisions of Civil Code section 1542 as well as under any other state or federal statute or common law principle of similar effect, to the fullest extent they may lawfully waive such rights or benefits pertaining to the released matters, as specifically defined by Sections 4.1 through 4.3, above.

5. COURT APPROVAL

This Consent Judgment is not effective until it is approved and entered by the Court and shall be null and void if, for any reason, it is not approved and entered by the Court within one year after it has been fully executed by all Parties. Englander and Wilmar agree to support the entry of this agreement as a judgment, and to obtain the Court's approval of their settlement in a timely manner. The Parties acknowledge that, pursuant to California Health and Safety Code section 25249.7(f), a noticed motion is required for judicial approval of this Consent Judgment, which motion Englander shall draft and file and Wilmar shall support, appearing at the hearing if so requested. If any third-party objection to the motion is filed, Englander and Wilmar agree to work together to file a reply and appear at any hearing. This provision is a material component of the Consent Judgment and shall be treated as such in the event of a breach.

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6. <u>SEVERABILITY</u>

If, subsequent to the Court's approval and entry of this Consent Judgment as a judgment, any provision of this Consent Judgment is held by a court to be unenforceable, the validity of the remaining provisions shall not be adversely affected.

GOVERNING LAW

The terms of this Consent Judgment shall be governed by the laws of the State of California and apply within the State of California. In the event that Proposition 65 is repealed, preempted, or is otherwise rendered inapplicable by reason of law generally, or as to the Products, then Wilmar may provide Englander with written notice of any asserted change in the law, and shall have no further obligations pursuant to this Consent Judgment with respect to, and to the extent that, the Products are so affected. Nothing in this Consent Judgment shall be interpreted to relieve Wilmar from its obligation to comply with any pertinent state or federal law or regulation.

8. NOTICE

Unless specified herein, all correspondence and notice required by this Consent Judgment shall be in writing and sent by: (i) personal delivery, (ii) first-class registered or certified mail, return receipt requested; or (iii) a recognized overnight courier to any Party by the other at the following addresses:

To Wilmar:

To Englander:

Malcolm C. Weiss, Esq. and Shannon K. Oldenburg, Esq. Hunton Andrews Kurth LLP 550 South Hope Street, Suite 2000 Los Angeles, CA 90071

Attn: Proposition 65 Coordinator The Chanler Group

2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710-2565

Any Party may, from time to time, specify in writing to the other Party a change of address to which all notices and other communications shall be sent.

9. COUNTERPARTS, FACSIMILE AND PDF SIGNATURES

This Consent Judgment may be executed in counterparts and by facsimile or portable document format (pdf) signature, each of which shall be deemed an original and, all of which, when taken together, shall constitute one and the same document.

10. COMPLIANCE WITH REPORTING REQUIREMENTS

Englander and his counsel agree to comply with the reporting form requirements referenced in California Health and Safety Code section 25249.7(f).

11. MODIFICATION

This Consent Judgment may be modified only by: (i) a written agreement of the Parties and the entry of a modified Consent Judgment by the Court thereon; or (ii) upon a successful motion of any Party and the entry of a modified Consent Judgment by the Court thereon.

12. <u>AUTHORIZATION</u>

The undersigned are authorized to execute this Consent Judgment on behalf of their respective Parties and have read, understood, and agreed to all of the terms and conditions of this Consent Judgment.

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13	AGREED TO:	AGREED TO:
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16	PETER ENGLANDER	WILMAR CORPORATION
17	Dated: 7/12/2018	By: Mark Steffen (Print Name)
18		Its: CFO (Title)
19		Dated: 7/9/18
20		